

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT                    )  
FILING OF FARMDALE WATER                    ) CASE NO. 2011-00122  
DISTRICT    )

O R D E R

On April 1, 2011, Farmdale Water District ("Farmdale") applied for approval to adjust its rates pursuant to the purchased water adjustment procedure.<sup>1</sup>

The Commission, having reviewed the record and being sufficiently advised, finds that:

1. Farmdale purchases water from Frankfort Electric and Water Plant Board ("Frankfort").
2. On March 16, 2011, the Commission approved an increase in Frankfort's wholesale water rate to Farmdale from \$1.704 per 1,000 gallons to \$1.81 per 1,000 gallons, effective April 1, 2011.<sup>2</sup>
3. On April 1, 2011, Farmdale's Board of Commissioners enacted a resolution to increase Farmdale's water rates commensurate with Frankfort's increase effective April 1, 2011.
4. During the 12 months ending December 31, 2010, Farmdale purchased a total of 223,188,000 gallons of water from Frankfort and sold 171,317,000 gallons. The

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<sup>1</sup> KRS 278.015; 807 KAR 5:068.

<sup>2</sup> Case No. 2010-00485, Proposed Adjustment of the Wholesale Water Service Rates of Frankfort Water and Electric Plant Board (Ky. PSC Mar. 16, 2011).

increase in the cost of purchased water is \$23,657.93 resulting in a purchased water adjustment of \$0.14 per 1,000 gallons.

5. Farmdale's proposed rates should be approved.

6. The purchased water adjustment of \$0.14 per 1,000 gallons is fair, just, and reasonable and should be approved.

7. The rates in Appendix B are fair, just, and reasonable and should be approved for service rendered on or after April 1, 2011.

IT IS THEREFORE ORDERED that:

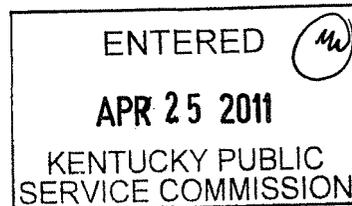
1. Farmdale's proposed rates are approved.

2. The purchased water adjustment of \$0.14 per 1,000 gallons as calculated in Appendix A is approved.

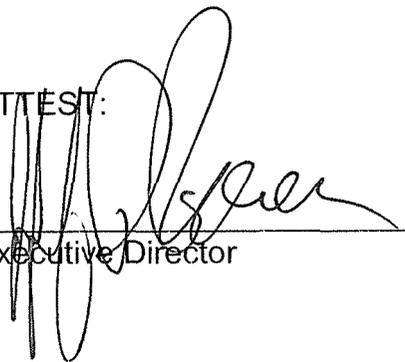
3. The rates in Appendix B are approved for service rendered on or after April 1, 2011.

4. The tariff sheets filed by Farmdale are approved as filed.

By the Commission



ATTEST:

  
Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
 COMMISSION IN CASE NO. 2011-00122 DATED **APR 25 2011**

	New Rate	Base Rate	
Farmdale Water			
Purchases in gallons	223,188,000	223,188,000	
Volumetric rate	<u>\$ 1.81/1,000</u>	<u>\$1.704/1,000</u>	
	\$403,970.28	\$380,312.35	
		Increased water cost	\$23,657.93
Increased water cost		\$ 23,657.93	
Divided by gallons sold		<u>171,317,000</u>	
Purchased water adjustment factor		\$0.14 per 1,000 gallons	

## APPENDIX B

### APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2011-00122 DATED **APR 25 2011**

The following rates and charges are prescribed for the customers in the area served by Farmdale Water District. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

#### Residential & Commercial Customers (Other than Trailer Courts)

##### 5/8" X 3/4" Meters

First	2,000 Gallons	\$ 9.28 Minimum Bill
Next	3,000 Gallons	3.14 Per 1,000 Gallons
Next	5,000 Gallons	2.64 Per 1,000 Gallons
Over	10,000 Gallons	2.44 Per 1,000 Gallons

##### 1" Meters

First	7,000 Gallons	\$ 23.98 Minimum Bill
Next	3,000 Gallons	2.64 Per 1,000 Gallons
Next	140,000 Gallons	2.44 Per 1,000 Gallons
Over	150,000 Gallons	2.19 Per 1,000 Gallons

#### Industrial Consumers / Trailer Parks

First	7,000 Gallons	\$ 23.98 Minimum Bill
Next	3,000 Gallons	2.64 Per 1,000 Gallons
Next	140,000 Gallons	2.44 Per 1,000 Gallons
Over	150,000 Gallons	2.19 Per 1,000 Gallons

#### Commercial Customers

##### Stewart Home

First	7,000 Gallons	\$ 23.98 Minimum Bill
Next	3,000 Gallons	2.64 Per 1,000 Gallons
Next	140,000 Gallons	2.44 Per 1,000 Gallons
Over	150,000 Gallons	2.19 Per 1,000 Gallons

Clifford Toles  
Chairman  
Farmdale Water District  
100 Highwood Drive  
Frankfort, KENTUCKY 40601